

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF TEXAS
SAN ANTONIO DIVISION**

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AGE REFINING, INC.,	§	Case No. 10-50501
	§	
Debtor.	§	
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**SUPPLEMENT TO TRUSTEE’S MOTION
FOR ENTRY OF ORDER AUTHORIZING AND APPROVING THE
SALE OF CERTAIN OF THE DEBTOR’S ASSETS
FREE AND CLEAR OF ALL LIENS, CLAIMS AND ENCUMBRANCES
OUTSIDE THE ORDINARY COURSE OF BUSINESS AND TO ASSUME
AND ASSIGN EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

[Relates to Docket No. 879]

TO THE HONORABLE LEIF M. CLARK, UNITED STATES BANKRUPTCY JUDGE:

COMES NOW Eric J. Moeller, the Chapter 11 Trustee (“Trustee”), in the above captioned case hereby files this *Supplement to his Motion for Entry of Order Authorizing and Approving the Sale of Certain of the Debtor’s Assets Free and Clear of All Liens, Claims and Encumbrances Outside the Ordinary Course of Business and to Assume and Assign Certain Executory Contracts and Unexpired Leases* and would respectfully represent to the Court as follows:

1. On April 1, 2011, the Trustee filed his *Motion for Entry of Order Authorizing and Approving the Sale of Certain of the Debtor’s Assets Free and Clear of All Liens, Claims and Encumbrances Outside the Ordinary Course of Business and to Assume and Assign Certain Executory Contracts and Unexpired Leases* (Docket No. 879) (the “Sale Motion”).

2. The Sale Motion had attached to it an Indicative Offer from the Designated Purchaser.

3. In Paragraph 24 of the Sale Motion, the Trustee represented to the Court that the Designated Purchaser did not wish to be identified by name prior to the signing of the definitive Asset Purchase Agreement and also represented to the Court that a supplement to the Sale Motion would be filed once the Asset Purchaser Agreement (the “APA”) was fully executed, disclosing the name of the Designated Purchaser.

4. Attached hereto as Exhibit “A” is the Asset Purchase Agreement by and between NuStar Refining, LLC as Buyer and Eric J. Moeller, Chapter 11 Trustee, as the Seller dated as of April 11, 2011.

5. NuStar Refining LLC (“NuStar”) is Delaware limited liability company and is an affiliate of NuStar Energy, LP. NuStar’s address is 2330 North Loop 1604 West, San Antonio, Texas 78248.

6. In general, the APA tracks or follows the Indicative Offer which was attached to the Sale Motion. Also, the Trustee has supplied drafts of the APA as it was being negotiated to the secured creditor Chase and the Official Committee of Unsecured Creditors.

7. Parties should refer to the APA for the details of the transaction but in general, NuStar will be purchasing all of the Debtor’s refining assets which will include the Refinery, the Elmendorf Terminal, Debtor’s interest in certain equipment known as the Falls City Tanks, Debtor’s owned real property, all machinery, equipment, tools, etc. located thereon, inventory, including crude, substantially all of the accounts receivable, prepayments, and the Debtor’s interest in the platinum currently leased from Mitsubishi International Corp. NuStar will also generally be assuming all of the Debtor’s current post petition liabilities not related to restructuring. NuStar is not purchasing certain excluded assets including JFA-5 provided and owned by the United States Government, cash, Redfish Bay leasehold, related-party receivables,

claims related to the *Eric J. Moeller v. Albert Glen Gonzalez et al.* (Adv. No. 10-05120), Chapter 5 causes of action, claims related to the Tierra Pipeline, Tierra G Squared and all claims related to insurance coverage. The purchase price is comprised of the base purchase price of \$41,000,000, an amount equal to the value of the Debtor's platinum, plus the closing date working capital. The Working Capital Adjustment is set forth in paragraph 1.3(c) of the APA. The APA also calls for an escrow agreement with a total of \$3,000,000 to be held by the escrow agent.

8. The parties will close this transaction or before April 21, 2011.

Dated: April 11, 2011

Respectfully submitted,

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**GENERAL COUNSEL TO ERIC J.
MOELLER, CHAPTER 11 TRUSTEE**

CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the above and foregoing document was filed with the Court and served electronically upon those parties enrolled in ECF and/or mailed by U.S. First Class Mail, postage prepaid, to the parties listed on the Limited Service List unless otherwise noted on this the 11th day of April 2011.

/s/ David S. Gragg
DAVID S. GRAGG

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